

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SOUTH CENTRAL)
KENTUCKY CELLULAR CORP. FOR)
ISSUANCE OF CERTIFICATE(S) OF)
PUBLIC CONVENIENCE AND NECESSITY TO)
CONSTRUCT ADDITIONAL CELL SITES IN)
THE KENTUCKY RURAL SERVICE AREA)
WHICH INCLUDES ADAIR, BARREN,)
CLINTON, CUMBERLAND, HART,)
MCCREARY, METCALFE, MONROE, RUSSELL)
AND WAYNE COUNTIES, KENTUCKY AND)
FOR ANY OTHER NECESSARY APPROVAL)

CASE NO. 91-297

O R D E R

This matter arising upon petition of Danbury Cellular Telephone Co. ("Danbury Cellular") filed November 22, 1991 pursuant to KRS 61.870 et seq., and 807 KAR 5:001, Section 7, for confidential protection of Danbury Cellular's financial statements, a two-year cash flow projection, and the Commitment Letter between Central Trust Company and Danbury Cellular on the grounds that disclosure of the information is likely to cause Danbury Cellular competitive injury, and it appearing to this Commission as follows:

Danbury Cellular has applied for a Certificate of Public Convenience and Necessity to provide domestic public cellular telecommunications service to the public in Rural Service Area No. 5. In support of its application, Danbury Cellular has filed financial statements containing financial information regarding Danbury Cellular, a two-year cash flow projection for the

operation of the cell sites for the first two years after construction, and the Commitment Letter from Central Trust Company which outlines the terms and conditions of the financing for the construction of the cell sites including the principal amount and the terms and conditions of the loan. Danbury Cellular contends that disclosure of this information which is contained in Exhibits 48, 51, and 52 to its application is likely to cause it competitive injury and has petitioned that the information be protected as confidential.

The information sought to be protected is not known outside of Danbury Cellular and is known only to those of its employees who have a business need to know the information. Danbury Cellular has sought to protect and preserve the confidentiality of the information through all appropriate means.

Under 807 KAR 5:001, Section 7, information is protected as confidential when it is established that disclosure is likely to cause substantial competitive harm to the party from whom the information was obtained. In order to satisfy this test, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

The cellular telephone market is a competitive industry and Danbury Cellular will have competition in the Rural Service Area in which it proposes to construct the system described in its application for a Certificate of Public Convenience and Necessity.

Disclosure of the financial information contained in the exhibits would allow Danbury Cellular's competitors to determine the rates which Danbury Cellular must charge for its services in order to break even and would allow Danbury Cellular's competitors to undercut those rates in the marketplace. Further, the information reflects the results of Danbury Cellular's regulatory, financial, and marketing strategy and could be used by Danbury Cellular's competitors to assess their own strategies. Thus, disclosure of the information is likely to cause Danbury Cellular competitive injury and the information is entitled to protection as confidential.

This Commission being otherwise sufficiently advised,

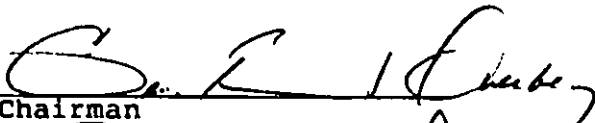
IT IS ORDERED that:

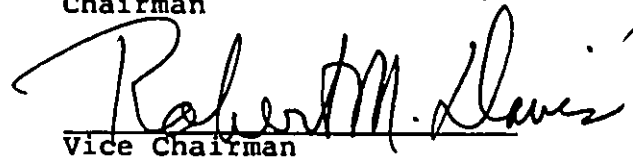
1. Danbury Cellular's financial statements, two-year cash flow projection, and Commitment Letter from Central Trust Company, which Danbury Cellular has petitioned be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

2. Danbury Cellular shall, within 10 days of the date of this Order, file an edited copy of the exhibits with the confidential material obscured for inclusion in the public record, with copies to any party of record.

Done at Frankfort, Kentucky, this 9th day of December, 1991.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman

Commissioner

ATTEST:


Executive Director